

Fill in this information to identify the case:

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Debtor 1 Hugo Perez

Debtor 2  
(Spouse, if filing) \_\_\_\_\_

United States Bankruptcy Court for the: Northern District of Illinois

Case number 1724459

## Official Form 410S1

**Notice of Mortgage Payment Change**

12/15

If the debtor's plan provides for payment of postpetition contractual installments on your claim secured by a security interest in the debtor's principal residence, you must use this form to give notice of any changes in the installment payment amount. File this form as a supplement to your proof of claim at least 21 days before the new payment amount is due. See Bankruptcy Rule 3002.1.

**Name of creditor:**

Wells Fargo Bank, N.A.

Court claim no. (if known): 4**Date of payment change:**

Must be at least 21 days after date of this notice

11/01/2020**New total payment:**Principal, interest, and escrow, if any \$ 1661.84

Last 4 digits of any number you use to identify the debtor's account:

6 1 9 1**Part 1: Escrow Account Payment Adjustment****1. Will there be a change in the debtor's escrow account payment?**

- ☐ No
- ☒ Yes. Attach a copy of the escrow account statement prepared in a form consistent with applicable nonbankruptcy law. Describe the basis for the change. If a statement is not attached, explain why:

Current escrow payment: \$ 1203.14New escrow payment: \$ 1235.12**Part 2: Mortgage Payment Adjustment****2. Will the debtor's principal and interest payment change based on an adjustment to the interest rate on the debtor's variable-rate account?**

- ☒ No
- ☐ Yes. Attach a copy of the rate change notice prepared in a form consistent with applicable nonbankruptcy law. If a notice is not attached, explain why:

Current interest rate: \_\_\_\_\_%

New interest rate: \_\_\_\_\_%

Current principal and interest payment: \$ \_\_\_\_\_

New principal and interest payment: \$ \_\_\_\_\_

**Part 3: Other Payment Change****3. Will there be a change in the debtor's mortgage payment for a reason not listed above?**

- ☒ No
- ☐ Yes. Attach a copy of any documents describing the basis for the change, such as a repayment plan or loan modification agreement.  
(Court approval may be required before the payment change can take effect.)

Reason for change:

Current mortgage payment: \$ \_\_\_\_\_

New mortgage payment: \$ \_\_\_\_\_

**Part 4: Sign Here**

The person completing this Notice must sign it. Sign and print your name and your title, if any, and state your address and telephone number.

Check the appropriate box.

- ☒ I am the creditor.
- ☐ I am the creditor's authorized agent.

**I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.**

**X** /s/John Tamburo Date 10/05/2020  
Signature

Print: Tamburo, John VP Loan Documentation  
First Name Middle Name Last Name Title

Company Wells Fargo Bank, N.A.

Address MAC N9286-01Y  
Number Street  
1000 Blue Gentian Road  
Address 2  
Eagan MN 55121-7700  
City State ZIP Code

Contact phone 800-274-7025 NoticeOfPaymentChangeInquiries@wellsfargo.com  
Email

# UNITED STATES BANKRUPTCY COURT

Northern District of Illinois

Chapter 13 No. 1724459

Judge: Carol A. Doyle

In re:

Hugo Perez

Debtor(s).

## CERTIFICATE OF SERVICE

I hereby certify that this Notice, including all attachments, is being served on or before October 06, 2020 via filing with the US Bankruptcy Court's CM ECF system or by mailing or providing a copy of this document to a vendor for mailing: By U.S. Postal Service First Class Main Postage Prepaid or FedEx.

Debtor:

By U.S. Postal Service First Class Mail Postage Prepaid or FedEx

Hugo Perez  
208 S. 44th Ave.

Northlake IL 60164

By U.S. Postal Service First Class Mail Postage Prepaid or FedEx

N/A

Debtor's Attorney:

By Court's CM/ECF system registered email address

Claudia Farfan Badillo  
Badillo Law Group, P.C.  
8745 W. Higgins Rd. Suite 110

Chicago IL 60631

By Court's CM/ECF system registered email address

N/A

Trustee:

By Court's CM/ECF system registered email address

Tom Vaughn

55 E. Monroe Street, Suite 3850

Chicago IL 60603

/s/John Tamburo

VP Loan Documentation

Wells Fargo Bank, N.A.



Return Mail Operations  
PO Box 14547  
Des Moines, IA 50306-4547

document

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Escrow Review Statement

For informational purposes only

Statement Date:

September 10, 2020

Loan number:

Property address:

208 44TH AVENUE  
NORTHLAKE IL 60164

HUGO PEREZ  
CLARA PEREZ  
208 44TH AVE  
NORTHLAKE IL 60164-2636

## Customer Service



Online  
wellsfargo.com



Telephone  
1-800-340-0473



Correspondence  
PO Box 10335  
Des Moines, IA 50306



Hours of operation  
Mon - Fri 7 a.m. - 7 p.m. CT



To learn more, go to:  
wellsfargo.com/escrow

We accept telecommunications relay service calls

**PLEASE NOTE:** If you are presently seeking relief (or have previously been granted relief) under the United States Bankruptcy Code, this statement is being sent to you for informational purposes only. The summaries below are based on the terms of the loan and are provided for informational purposes only.

These amounts are governed by the terms of the loan unless otherwise reduced by an order of the bankruptcy court. Because the amounts billed for the escrow items can change over time, we review the escrow account at least once per year to ensure there will be enough money to make these payments. Once the review is complete, we send the escrow review statement, also known as the escrow account disclosure statement.

Here's what we found:

- **Required Minimum Balance:** The escrow account balance is projected to fall below the required minimum balance. This means there is a **shortage**.
- **Payments:** As of the **November 1, 2020** payment, the contractual portion of the escrow payment **increases**.

The escrow account has a shortage of  
**\$1,850.92**

## Part 1 - Mortgage payment

## Option 1

## Pay the shortage amount over 12 months

	Previous payment through 10/01/2020 payment date	New payment beginning with the 11/01/2020 payment
Principal and/or interest	\$426.72	\$426.72
Escrow payment	\$1,203.14	\$1,235.12
Total payment amount	\$1,629.86	\$1,661.84

## Option 1: No action required

Starting **November 1, 2020** the new contractual payment amount will be **\$1,661.84**

## Option 2

## Pay the shortage amount of \$1,850.92

	Previous payment through 10/01/2020 payment date	New payment beginning with the 11/01/2020 payment
Principal and/or interest	\$426.72	\$426.72
Escrow payment	\$1,203.14	\$1,080.88
Total payment amount	\$1,629.86	\$1,507.60

## Option 2: Pay shortage in full

Starting **November 1, 2020** the new contractual payment amount will be **\$1,507.60**

See Page 2 for additional details.



HUGO PEREZ  
CLARA PEREZ

Wells Fargo Home Mortgage  
PO Box 14538  
Des Moines, IA 50306-3538

**Note:** If you are presently seeking relief (or have previously been granted relief) under the United States Bankruptcy Code, this coupon is being provided for informational purposes only. If your Chapter 13 plan calls for your Chapter 13 Trustee to make the on-going post-petition mortgage payments, please contact your attorney or the Trustee's office before directly sending any amounts relating to this escrow shortage

If you choose to pay the shortage in full as referenced in Option 2, detach this coupon and mail it along with a check for \$1,850.92 to the address that appears on this coupon.

This payment must be received no later than **November 1, 2020**.

For the past review period, the amount of the escrow items was \$12,911.58. For the coming year, we expect the amount paid from escrow to be \$12,970.51.

### How was the escrow payment calculated?

To determine the escrow payment, we add the projected escrow items to be paid over the next 12 months. We base these projected amounts on any escrow items that may have been paid in the past and any future anticipated payments to be made. We then divide the amounts by 12 payments to determine the escrow amount.

The chart below includes any actual escrow disbursements as well as any shortage that may have been identified for the past three analysis periods up through the date of the analysis.

### Escrow comparison

	05/18 - 04/19 (Actual)	11/18 - 10/19 (Actual)	11/19 - 09/20 (Actual)	11/20 - 10/21 (Projected)		# of months		New monthly escrow amount
Property taxes	\$5,989.61	\$5,732.11	\$5,276.75	\$5,276.75	÷	12	=	\$439.73
Property insurance	\$1,229.00	\$1,229.00	\$1,421.00	\$1,421.00	÷	12	=	\$118.42
Flood insurance	\$4,453.00	\$4,453.00	\$5,451.00	\$5,451.00	÷	12	=	\$454.25
Total taxes and insurance	\$11,671.61	\$11,414.11	\$12,148.75	\$12,148.75	÷	12	=	\$1,012.40
Escrow shortage	\$862.43	\$1,046.53	\$2,178.86	\$1,850.92	÷	12	=	\$154.24**
Mortgage insurance	\$864.70	\$853.78	\$762.83	\$821.76	÷	12	=	\$68.48
Total escrow	\$13,398.74	\$13,314.42	\$15,090.44	\$14,821.43	÷	12	=	\$1,235.12

\*\*This amount is added to the payment if Option 1 on page 1 is selected.

### Projected escrow account activity over the next 12 months

To determine if there will be a shortage or overage in the account, we calculate whether the amount of the lowest projected escrow balance will be greater or less than the required minimum balance. This is determined by subtracting the required minimum balance from the lowest projected balance. If the outcome is positive, there is an overage. If it is negative, there is a shortage. The calculation is below:

Lowest projected escrow balance February, 2021		<b>-\$4,465.02</b>	(Calculated in Part 3 - Escrow account projections table)
Bankruptcy adjustment <sup>†</sup>	+	<b>\$4,638.90</b>	
Minimum balance for the escrow account <sup>‡</sup>	-	<b>\$2,024.80</b>	(Calculated as: \$1,012.40 X 2 months)
<b>Escrow shortage</b>	=	<b>-\$1,850.92</b>	

<sup>†</sup>This adjustment of \$4,638.90, is the remaining amount of the pre-petition escrow shortage included in our proof of claim being paid through the confirmed bankruptcy plan.

<sup>‡</sup>The minimum balance includes a cash reserve to help cover any increase in taxes and/or insurance. To calculate the cash reserve for the escrow account, we add the yearly escrow payments, and divide by 12 (this amount does not include mortgage insurance). We take this amount and multiply it by 2 as allowed by state laws and/or the mortgage contract to determine the cash reserve.

### Part 3 - Escrow account projections

Escrow account projections from November, 2020 to October, 2021

Date	Payments to escrow	What we expect to pay out	Description	Projected escrow balance	Balance required in the account
Oct 2020			Starting balance	\$1,510.04	\$7,999.86
Nov 2020	\$1,080.88	\$68.48	FHA Insurance	\$2,522.44	\$9,012.26
Dec 2020	\$1,080.88	\$68.48	FHA Insurance	\$3,534.84	\$10,024.66
Jan 2021	\$1,080.88	\$68.48	FHA Insurance	\$4,547.24	\$11,037.06
Feb 2021	\$1,080.88	\$68.48	FHA Insurance	\$5,559.64	\$12,049.46
Feb 2021	\$0.00	\$3,152.66	COOK COUNTY (999)(4WR)	\$2,406.98	\$8,896.80
Feb 2021	\$0.00	\$1,421.00	AMERICAN FAMILY	\$985.98	\$7,475.80
Feb 2021	\$0.00	\$5,451.00	NATIONAL FLOOD SERVICES	<b>-\$4,465.02</b>	<b>\$2,024.80</b>
Mar 2021	\$1,080.88	\$68.48	FHA Insurance	-\$3,452.62	\$3,037.20
Apr 2021	\$1,080.88	\$68.48	FHA Insurance	-\$2,440.22	\$4,049.60
May 2021	\$1,080.88	\$68.48	FHA Insurance	-\$1,427.82	\$5,062.00
Jun 2021	\$1,080.88	\$68.48	FHA Insurance	-\$415.42	\$6,074.40
Jul 2021	\$1,080.88	\$68.48	FHA Insurance	\$596.98	\$7,086.80
Jul 2021	\$0.00	\$2,124.09	COOK COUNTY (999)(4WR)	-\$1,527.11	\$4,962.71
Aug 2021	\$1,080.88	\$68.48	FHA Insurance	-\$514.71	\$5,975.11
Sep 2021	\$1,080.88	\$68.48	FHA Insurance	\$497.69	\$6,987.51
Oct 2021	\$1,080.88	\$68.48	FHA Insurance	\$1,510.09	\$7,999.91
Totals	\$12,970.56	\$12,970.51			

### Part 4 - Escrow account history

Escrow account activity from November, 2019 to October, 2020

Date	Deposits to escrow			Payments from escrow			Description	Escrow balance		
	Actual	Projected	Difference	Actual	Projected	Difference		Actual	Projected	Difference
Nov 2019							Starting Balance	-\$16,002.98	\$6,870.18	-\$22,873.16
Nov 2019	\$0.00	\$1,021.57	-\$1,021.57	\$0.00	\$70.39	-\$70.39	FHA Insurance	-\$16,002.98	\$7,821.36	-\$23,824.34
Nov 2019	\$0.00	\$0.00	\$0.00	\$70.39	\$0.00	\$70.39	FHA Insurance	-\$16,073.37	\$7,821.36	-\$23,894.73
Dec 2019	\$945.81	\$1,021.57	-\$75.76	\$0.00	\$70.39	-\$70.39	FHA Insurance	-\$15,127.56	\$8,772.54	-\$23,900.10
Dec 2019	\$0.00	\$0.00	\$0.00	\$70.39	\$0.00	\$70.39	FHA Insurance	-\$15,197.95	\$8,772.54	-\$23,970.49
Jan 2020	\$3,860.11	\$1,021.57	\$2,838.54	\$0.00	\$70.39	-\$70.39	FHA Insurance	-\$11,337.84	\$9,723.72	-\$21,061.56
Jan 2020	\$0.00	\$0.00	\$0.00	\$70.39	\$0.00	\$70.39	FHA Insurance	-\$11,408.23	\$9,723.72	-\$21,131.95
Jan 2020	\$0.00	\$0.00	\$0.00	\$5,451.00	\$0.00	\$5,451.00	NATIONAL FLOOD SERVICES	-\$16,859.23	\$9,723.72	-\$26,582.95
Feb 2020	\$1,022.68	\$1,021.57	\$1.11	\$0.00	\$70.39	-\$70.39	FHA Insurance	-\$15,836.55	\$10,674.90	-\$26,511.45
Feb 2020	\$0.00	\$0.00	\$0.00	\$3,152.66	\$3,090.54	\$62.12	COOK COUNTY (999)(4WR)	-\$18,989.21	\$7,584.36	-\$26,573.57
Feb 2020	\$0.00	\$0.00	\$0.00	\$1,421.00	\$1,229.00	\$192.00	AMERICAN FAMILY	-\$20,410.21	\$6,355.36	-\$26,765.57
Feb 2020	\$0.00	\$0.00	\$0.00	\$0.00	\$4,453.00	-\$4,453.00	NATIONAL FLOOD SERVICES	-\$20,410.21	\$1,902.36	-\$22,312.57
Feb 2020	\$0.00	\$0.00	\$0.00	\$70.39	\$0.00	\$70.39	FHA Insurance	-\$20,480.6	\$1,902.36	-\$22,382.96
Mar 2020	\$1,022.68	\$1,021.57	\$1.11	\$70.39	\$70.39	\$0.00	FHA Insurance	-\$19,528.31	\$2,853.54	-\$22,381.85
Apr 2020	\$1,022.68	\$1,021.57	\$1.11	\$0.00	\$70.39	-\$70.39	FHA Insurance	-\$18,505.63	\$3,804.72	-\$22,310.35
Apr 2020	\$0.00	\$0.00	\$0.00	\$68.48	\$0.00	\$68.48	FHA Insurance	-\$18,574.11	\$3,804.72	-\$22,378.83
May 2020	\$1,022.68	\$1,021.57	\$1.11	\$0.00	\$70.39	-\$70.39	FHA Insurance	-\$17,551.43	\$4,755.90	-\$22,307.33
May 2020	\$0.00	\$0.00	\$0.00	\$68.48	\$0.00	\$68.48	FHA Insurance	-\$17,619.91	\$4,755.90	-\$22,375.81
Jun 2020	\$2,045.36	\$1,021.57	\$1,023.79	\$0.00	\$70.39	-\$70.39	FHA Insurance	-\$15,574.55	\$5,707.08	-\$21,281.63
Jun 2020	\$0.00	\$0.00	\$0.00	\$68.48	\$0.00	\$68.48	FHA Insurance	-\$15,643.03	\$5,707.08	-\$21,350.11
Jul 2020	\$3,068.04	\$1,021.57	\$2,046.47	\$0.00	\$70.39	-\$70.39	FHA Insurance	-\$12,574.99	\$6,658.26	-\$19,233.25
Jul 2020	\$0.00	\$0.00	\$0.00	\$2,124.09	\$2,641.57	-\$517.48	COOK COUNTY (999)(4WR)	-\$14,699.08	\$4,016.69	-\$18,715.77
Jul 2020	\$0.00	\$0.00	\$0.00	\$68.48	\$0.00	\$68.48	FHA Insurance	-\$14,767.56	\$4,016.69	-\$18,784.25
Aug 2020	\$2,045.36	\$1,021.57	\$1,023.79	\$0.00	\$70.39	-\$70.39	FHA Insurance	-\$12,722.20	\$4,967.87	-\$17,690.07
Aug 2020	\$0.00	\$0.00	\$0.00	\$68.48	\$0.00	\$68.48	FHA Insurance	-\$12,790.68	\$4,967.87	-\$17,758.55
Sep 2020 (estimate)	\$13,234.54	\$1,021.57	\$12,212.97	\$0.00	\$70.39	-\$70.39	FHA Insurance	\$443.86	\$5,919.05	-\$5,475.19
Sep 2020	\$0.00	\$0.00	\$0.00	\$68.48	\$0.00	\$68.48	FHA Insurance	\$375.38	\$5,919.05	-\$5,543.67
Oct 2020 (estimate)	\$1,203.14	\$1,021.57	\$181.57	\$68.48	\$70.39	-\$1.91	FHA Insurance	\$1,510.04	\$6,870.23	-\$5,360.19
Totals	\$30,493.08	\$12,258.84	\$18,234.24	\$12,980.06	\$12,258.79	\$721.27				



#### **Mortgage insurance premium annual notice**

You're currently making mortgage insurance premium (MIP) payments as part of your monthly payment. However, you may be able to remove your MIP early and reduce your payment if certain conditions apply.

#### **What is mortgage insurance?**

- The Federal Housing Administration (FHA) required you to have mortgage insurance because your down payment was less than 20 percent of your loan.
- This type of insurance protects the lender's investment, unlike property insurance which protects you. For example, if your loan were to go into foreclosure, mortgage insurance will help the FHA recoup its investment.

#### **What you need to know**

- You may be able to request early cancellation of your MIP if your loan meets the following conditions:
  - Your loan is at least 5 years old.
  - The unpaid balance of your loan is less than or equal to 78% of either your property's original value or your purchase price at closing, whichever is less. We call this percentage your loan-to-value (LTV) ratio.
  - You haven't had any 30-day late payments in the past 12 months.
- If your home is a condominium or covered under certain government programs, you do not have early cancellation options.
- If you're working with us on payment assistance or your loan has had a partial claim, this may affect your options. Please contact us if you want to know whether you can delete your MIP while on payment assistance.

#### **What you can do**

- If you meet these requirements, please contact us at the phone number provided on the front of the statement.
- Once you've submitted your request, we'll confirm if you have early cancellation options and will cancel your MIP if eligible.
- If you don't meet the requirements, we'll let you know if you have any options to cancel, and any further action you can take.

#### **We're here for you**

You can view up-to-date information about your mortgage at the website in the account information section of this letter. If you have any questions or would like to learn more about your specific investor options, please contact us. We accept relay calls. Contamos con representantes que hablan español.